

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

**Jerry W. Jones,**  
Petitioner-Appellants,

v.

**Polk County Board of Review,**  
Respondent-Appellee.

**ORDER**

**Docket No. 09-77-1167**  
**Parcel No. 241/00993-820-055**

On February 4, 2010, the above-captioned appeal came on for hearing before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. Petitioner-Appellant, Jerry W. Jones, requested a hearing and submitted evidence in support of his petition. He was self-represented and did not participate in the hearing. The Board of Review designated Assistant County Attorney, Ralph E. Marasco, Jr., as its legal representative. It also submitted documentary evidence in support of its decision. The Appeal Board now having examined the entire record, heard the testimony, and being fully advised, finds:

***Findings of Fact***

Jerry W. Jones, owner of property located at 7328 Dawn Drive, Johnston, Iowa, appeals from the Polk County Board of Review decision reassessing his property. According to the property record card, the subject property consists of a ranch dwelling having 1637 total square feet of living area, a full basement with 798 square feet of finished area, and an attached 658 square foot three-car garage. The main dwelling was built in 2007, and has a 3-10 quality grade. The dwelling is situated on a 0.345 acre site in the subdivision known as Sunset Ridge. The property was purchased by Jones for \$235,000 on January 16, 2009.

The real estate was classified as residential on the initial assessment of January 1, 2009, and valued at \$232,800, representing \$65,900 in land value and \$166,900 in improvement value.

Jones protested to the Board of Review on the ground the property was assessed for more than authorized by law under Iowa Code section 441.37(1)(b) and there is an error in the assessment under section 441.37(1)(d). The specific error he claims is that the land value is wrong. Essentially, Jones is claiming the site portion of the valuation is excessive or over-assessed. He claimed that \$201,400; allocated \$34,500 to land and \$166,900 to the dwelling was the actual value and a fair assessment of the property. The Board of Review appraiser analysis states that the owner was inappropriately comparing land value of the unimproved lots listed for sale in the development with improved lot values. The appraiser recommended the assessment remain unchanged and the Board of Review denied the protest.

Jones filed his appeal with this Board and claimed there was an error in the land value of the assessment. Although he focused on the assessed value of the land, he challenged the total assessment by a corresponding reduction in the total valuation. He attached documents reporting that his was the only house built on the block and showing that vacant lots on the street were selling for \$34,500 in his subdivision. An exhibit listing the assessed value of all improved and unimproved parcels in the Sunset Ridge subdivision indicates that although the unimproved parcels are assessed significantly below the subject property, all similarly-sized improved parcels in the subdivision are assessed comparably to the subject site. While there is merit to Jones' claim of a discrepancy between the land assessments in his subdivision, the unimproved lots are similarly assessed and his assessment is aligned with those of other improved land assessments in the neighborhood. Jones did not attend the hearing to elaborate on his position.

William Pruett of Rally Appraisal in West Des Moines completed an appraisal of the property and testified on behalf of the Board of Review. He inspected the interior and exterior of the property

with Jones present. Pruett completed a paired sales analysis using four comparable ranch houses with a distance of less than three miles of the subject property. He testified that three of the four sales used were outside Jones' subdivision due to limited sales data in the subdivision. The sale prices ranged from \$231,000 to \$242,000. Unadjusted sale prices per square foot ranged from \$137.99 to \$178.36 per square foot. Pruett made adjustment for site size, condition, basement size/finish, gross living area, quality of construction and other amenities. Net adjustments ranged from 1% to 2%.

Pruett developed both the sales and cost approaches to valuation. He estimated a value of \$235,500 using Marshall Swift Residential Cost Handbook. In his cost approach, he allocated \$50,000 to land value based on his analysis of vacant land sales. Pruett estimated a \$235,000 value using the sales approach. His final estimate of value was \$235,000, as of January 1, 2009.

Pruett testified that Jones' neighborhood is comprised mostly of homes in the \$300,000 to \$400,000 price range with the exception of a few more affordable homes, such as the subject property. Pruett reported that he contacted Advantage Homes, the company that developed the subdivision, to inquire about the lower-priced lot sale which Jones relies on to support his petition. According to Pruett, this lot sold below the price of other lots because it was one of the most unattractive lots in the subdivision and was difficult to build on due to its location on a cul-de-sac.

Reviewing all the evidence, we find that substantial evidence is lacking to support Jones' contention that there is an error in his assessed land valuation, and therefore his total assessed valuation. We find Pruett's appraisal and the purchase price of the subject property near the assessment date both provide credible evidence the assessment reflects the fair market value of the Jones property as of January 1, 2009.



### *Conclusion of Law*

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2009). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are also to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

Jones alleges an error in his assessment under section 441.37(1)(d). Section 441.37(1)(d) is not limited solely to clerical or mathematical errors. The administrative rule interpreting this section indicates that the error may be more than what is alleged by the Board of Review. While "[a]n error in the assessment *would most probably* involve erroneous mathematical computations or errors in listing the property[, ] [t]he improper classification of property also constitutes an error in the assessment." Iowa Administrative r. 701-71.20(4)(b)(4) (emphasis added). This language suggests that other errors

may constitute grounds for appeal pursuant to section 441.37(1)(d). Jones has failed to present persuasive evidence to support his claim that an error exists in the subject property land assessment. To the contrary, both the sale price of the subject property and the Pruett appraisal support the assessment as accurately reflecting the property's fair market value.

Viewing the evidence as a whole, we determine that substantial evidence was lacking to support Jones' claim of error in the January 1, 2009, assessment. We, therefore, affirm the Jones property assessment as determined by the Board of Review. The Appeal Board determines that the property assessment value as of January 1, 2009, is \$232,800, representing \$65,900 in land value and \$166,900 in dwelling value.

THE APPEAL BOARD ORDERS that the January 1, 2009, assessment as determined by the Polk County Board of Review is affirmed.

Dated this 24 day of February 2010.

Jacqueline Rypma  
Jacqueline Rypma, Presiding Officer  
Richard Stradley  
Richard Stradley, Board Member

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| Certificate of Service  |  |
| The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>2.24.2010</u> |  |
| By:   | <input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX         |
|   | <input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier |
|   | <input type="checkbox"/> Certified Mail <input type="checkbox"/> Other             |
| Signature   | <u>[Signature]</u>   |